

## Message Text

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ORIGIN XMB-04

INFO OCT-01 EA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 TRSE-00 OPIC-06 SP-02 CIEP-02

LAB-04 SIL-01 OMB-01 PRS-01 /052 R

66607

DRAFTED BY: XMB:BABDESLEM

APPROVED BY: EB/OCA/REP:EMCKEON

XMB: CHALES E HOUSTON

XMB: WARREN W GLICK

EA/PHL:RTWILLNER

EB/IFD/ODF: RASWART

----- 027673

R 281656Z MAR 75

FM SECSTATE WASHDC

TO AMEMBASSY MANILA

UNCLAS STATE 070506

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: EXIMBANK FINANCING FOR HOOVEN-COMALCO INDUSTRIES, INC.

1. IN A TELEPHONE CONVERSATION WITH MR. TIRSO SANTILLAN JR. OF  
BANCOM DEVELOPMENT CORPORATION IN MANILA, ACTING ON BEHALF OF  
HOOVEN-COMALCO INDUSTRIES, WE ADVISED HIM THAT EXIMBANK HAS APPROVED,  
ON FEBRUARY 20, 1975, A CREDIT AUTHORIZATION TO HOOVEN-COMALCO  
INDUSTRIES BASED ON THE FOLLOWING TERMS AND CONDITIONS:

AMOUNTS: CONTRACT PRICE DOLS 7,500,000

CASH PAYMENT DOLS 4,125,000 OR 55 PERCENT

EIB CREDIT DOLS 2,250,000 OR 30 PERCENT

COMMERCIAL CREDIT WITH EIB GUARANTEE (1 PERCENT) DOLS 1,125,000

OR 15 PERCENT

REPAYMENT: IN 14 SEMIANNUAL INSTALLMENTS BEGINNING SEPTEMBER 15,  
1977, WITH EXIMBANK AND THE PRIVATE LENDER TO BE REPAID PARI PASSU.

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EXIMBANK INTEREST: 8 PERCENT

EXIMBANK COMMITMENT FEE: 1/2 OF 1 PERCENT BEGINNING 60 DAYS  
AFTER AUTHORIZATION.

GUARANTOR: JOINT AND SEVERAL GUARANTEES, BY MEANS OOF AN IRREVOCABLE  
STANDBY LETTER OF CREDIT, OF THE FOLLOWING BANKS IN THE PHILIPPINES:

1. CHINA BANKING CORPORATION (CHIBANK)
2. FAR EAST BANK AND TRUST COMPANY (FEBTC)
3. RIZAL COMMERCIAL BANKING CORPORATION (RCBC)

2. THIS ACTION WILL BE DETAILED IN LETTER TO HOOVEN-COMALCO  
INDUSTRIES, INC. PLEASE ADVISE BORROWER NEWS RELEASE INCLUDING  
ABOVE DETAILS SCHEDULED FOR ANNOUNCEMENT HERE NEXT TWO WEEKS  
UNLESS EMBASSY OR BORROWER STATE OBJECTIONS. EMBSSY WILL BE PROVIDED  
FINAL TEXT OF RELEASE PRIOR TO WASHINGTON RELEASE.

3. OTHER THAN DISCUSSION WITH BORROWER, REQUEST ABOVE INFORMATION  
BE WITHHELD PRIOR TO SUBJECT PRESS RELEASE. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CREDIT AUTHORIZATIONS, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Review Comment:** n/a  
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**Subject:** EXIMBANK FINANCING FOR HOOVEN-COMALCO INDUSTRIES, INC.  
**TAGS:** EFIN, RP, XMB, HOOVEN-COMALCO IND INC  
**To:** MANILA  
**Type:** TE  
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